BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy KoppendrayerChairEllen GavinCommissionerMarshall JohnsonCommissionerPhyllis A. RehaCommissionerGregory ScottCommissioner

In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy for Certificates of Need for Four Large High Voltage Transmission Line Projects in Southwestern Minnesota ISSUE DATE: May 16, 2003

DOCKET NO. E-002/CN-01-1958

ORDER CLARIFYING AND AMENDING ORDER OF MARCH 11, 2003

PROCEDURAL HISTORY

On March 11, 2003, the Commission issued its ORDER GRANTING CERTIFICATES OF NEED SUBJECT TO CONDITIONS in this case. That Order granted Xcel Energy certificates of need for four high-voltage transmission lines needed to remedy transmission deficits blocking the development of wind generation mandated by the Legislature. Since the lines were needed only to transmit wind-generated energy, the certificates of need carried conditions requiring Xcel to acquire the 825 megawatts of wind generation the lines were intended to carry and to do this by the time the lines became operational.

On March 31, 2003, the American Wind Energy Association filed a petition for amendment. The Association asked the Commission to amend the March 11 Order to clarify that the Order's 825-megawatt purchase requirement should not affect the criteria Xcel would use to select vendors in its ongoing bidding process for securing additional generation.

On April 9, 2003, Xcel filed comments opposing the petition. On April 10, 2003, the Department of Commerce filed comments supporting it.

On May 1, 2003, the petition came before the Commission.

FINDINGS AND CONCLUSIONS

The Commission agrees that the 825-megawatt purchase requirement imposed in this case is not intended to influence the criteria that Xcel will apply in selecting vendors in its ongoing, all-source bidding process. As the Department of Commerce notes, unbiased selection criteria are critical to securing least-cost resources through competitive bidding. The Commission will therefore amend and clarify its March 11 Order.

ORDER

1. The ORDER GRANTING CERTIFICATES OF NEED SUBJECT TO CONDITIONS issued in this case on March 11, 2003 is hereby amended to add a new paragraph 9 reading as follows:

Nothing in this Order is intended to influence the criteria for selecting vendors in the 2001 Xcel Energy All-Source Request for Proposals, Docket No. E-002/M-01-1618.

- 2. The ORDER GRANTING CERTIFICATES OF NEED SUBJECT TO CONDITIONS issued in this case on March 11, 2003 is hereby amended to renumber initial paragraph 9 as paragraph 10.
- 3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar Executive Secretary

(S E A L)

This document can be made available in alternative formats (i.e., large print or audio tape) by calling (651) 297-4596 (voice), (651) 297-1200 (TTY), or 1-800-627-3529 (TTY relay service).